

The complaint

Mrs T complains that Hubwise Securities Limited, trading as SS&C Hubwise (“Hubwise”) didn’t allow her new chosen IFA to access the investments she held on its platform. As a result, she had to transfer to a new platform, and she wants Hubwise to reimburse her for the costs of doing so. She says Hubwise delayed the transfer, and she says it was still sending correspondence referencing her old IFA firm after it had closed.

What happened

Mrs T held her pension investments on Hubwise’s platform since 2019 with an appointed IFA.

Hubwise wrote to Mrs T in June 2023 to tell her that her IFA was closing and to tell her what she needed to do now that she was an “orphaned client”.

Mrs T chose a new IFA. But Hubwise didn’t accept that IFA on its platform. Mrs T said she had no choice but to move her investments to a new platform provider so that her chosen IFA could act for her. But she had to pay an advisor charge of £1,245.48 to move platform providers which she wants Hubwise to reimburse.

She said Hubwise should have had all the information it needed to arrange transfer to the new platform provider by 26 September 2023. But by the date of the final response letter – 23 October 2023 – the transfer still wasn’t complete. And as late as February 2024, Hubwise’s correspondence still referred to the original IFA even though, by then, it had been closed for around six months.

Hubwise told us Mrs T’s chosen IFA wasn’t established on its platform and it made a business decision not to engage with it. As it couldn’t service Mrs T’s account without an advisor, she had to transfer her investments to a new platform. It had explained to Mrs T that, when it heard from her new IFA, it needed to verify that it was Mrs T who had given authority to transfer her investments as it didn’t have a copy of her signature on file. It said there was some delay on the part of the pension administrator, but it accepted it should have kept Mrs T informed of progress. It offered to pay her £25 by way of an apology.

Our investigator didn’t recommend that the complaint should be upheld. He thought Hubwise had acted in line with its terms and conditions and that, if Mrs T hadn’t wanted to incur transfer costs, she could’ve used an IFA that had an established relationship with Hubwise. He didn’t think Hubwise needed to pay more than the £25 it had offered as, overall, he thought it had treated Mrs T fairly and reasonably.

Mrs T didn’t agree. She said, in summary, that:

- The terms she was given when she opened the account don’t mention anything about changing IFAs and she’s never been given new or amended terms.
- Hubwise didn’t tell her which IFAs were established on its platform, so she didn’t have the information she needed to prevent her needing to transfer her investments.

- She provided further evidence that her original IFA was still being included in Hubwise’s correspondence after it had closed.

What I’ve decided – and why

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Having done so, I find that I have come to the same conclusion as the investigator for the following reasons:

Change of IFA

The way in which Hubwise chooses to operate is to require an advisor to be looking after or reviewing the holdings within accounts. This is set out in its terms which say:

“We offer the Platform solution to you under this agreement only as the customer of an Advisor....”

Mrs T told us the terms she’d been given don’t mention anything about changing IFAs and she’s never been given Hubwise’s terms. But the way Hubwise chooses to operate is for all its communications to be with the appointed advisor. So I don’t find it was Hubwise’s responsibility to provide Mrs T with amended terms, these should have been provided by her advisor.

The only exception to it communicating with the advisor was when Mrs T’s existing advisor stopped business. I’m satisfied that Hubwise wrote to Mrs T, on 26 June 2023, to set out her options – she needed to engage a new IFA or transfer her holdings to another platform provider.

I’m satisfied that Hubwise’s communication was reasonably clear that, once Mrs T had chosen a new IFA, her investments would need to be transferred – either to a different part of its platform, if the IFA was already operating on the Hubwise platform; or to a new platform provider if the IFA operated on a different platform.

I don’t think it was Hubwise’s responsibility to proactively provide Mrs T with a list of IFAs who were established on its platform. I say this because this could have looked like a recommendation. Hubwise wasn’t responsible for advising Mrs T and it was her responsibility to choose a new advisor.

Mrs T chose a new IFA who didn’t operate on the Hubwise platform. I don’t find there was any obligation on Hubwise to accept that IFA on its platform. I’m satisfied it made a business decision, based on the facts, not to accept the new IFA and I don’t find that decision was unreasonable in the circumstances.

Hubwise didn’t charge a fee for the transfer, which I think was fair in the circumstances. Overall, I think it treated Mrs T fairly and reasonably and so I don’t find it’s under any obligation to reimburse Mrs T for the fee she was charged by her new IFA.

Transfer of the investments

I appreciate the transfer took longer than Mrs T had hoped and that, during this time, the new IFA couldn’t act on her account. I find there was no set timescale for transferring Mrs T’s holdings and Hubwise had explained, in its communication of 26 June 2023 what could impact the length of time it takes to complete the transfer process.

I'm satisfied that Hubwise made Mrs T aware that her IFA wouldn't be able to act on her account until the transfer was complete. It told her that: *"Should you engage an IFA who operates a different Platform, there could be a period during this process when your investments cannot be accessed. During this time, you will not be able to instruct the sale of any holdings, but once the transfer is complete, you can work with your new advisor to review your investments."*

I'm satisfied with Hubwise's explanation that the delays in the transfer were caused by the original pension custodian getting the account information the new IFA required.

But Hubwise should have kept Mrs T better advised of the progress of the transfer. It acknowledged this in its final response letter, and it offered to pay her £25 for the poor service she received. I don't find this to be an unfair outcome.

Hubwise's correspondence referring to the old IFA

Mrs T has provided evidence that correspondence from Hubwise still made reference to her old IFA after it had closed. As noted earlier, Hubwise operates by communicating with advisors and it was only in the circumstances here – where the advisor was no longer operating – that Hubwise communicated directly with Mrs T. Whilst Hubwise hasn't commented on this, I think it's more likely than not that its systems required an advisor to be attached to the account and that's why the name still appeared on Mrs T's correspondence. I acknowledge this was irritating but I don't find it makes a difference to the overall outcome here.

My final decision

Hubwise Securities Limited, trading as SS&C Hubwise, should pay Mrs T £25 if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 7 March 2025.

Elizabeth Dawes
Ombudsman